

Message Text

UNCLASSIFIED

PAGE 01 STATE 084071

65

ORIGIN ARA-10

INFO OCT-01 ISO-00 PRS-01 PA-02 USIE-00 /014 R

DRAFTED BY ARA/PAF:JLSANDSTROM:STT

APPROVED BY ARA/PAF:PENIEBURG

ARA/NC:FJDEVINE (INFO)

S/PRS:JJFEENEY

----- 100675

O 072229Z APR 76

FM SECSTATE WASHDC

TO AMEMBASSY CARACAS IMMEDIATE

UNCLAS STATE 084071

E.O. 11652:N/A

TAGS: VE, PFOR

SUBJECT: NOON PRESS BRIEFING--NATIONALIZATION OF
OWENS-ILLINOIS IN VENEZUELA

FOLLOWING EXCHANGE OCCURRED AT TODAY'S NOON PRESS BRIEFING,
WED. APRIL 7, 1976:

Q: DOES THE DEPARTMENT HAVE ANY STATEMENT ON THE ACTION
OF THE VENEZUELAN GOVERNMENT IN EXPROPRIATING THE HOLDINGS
OF THE OWENS-ILLINOIS COMPANY IN VENEZUELA?

A: WELL, FIRST OUR POSITION ON EXPROPRIATION OF FOREIGN
INVESTMENTS IS WELL KNOWN. WE BELIEVE THAT IN ACCORDANCE
WITH INTERNATIONAL LAW, WE EXPECT THAT EXPROPRIATION WHEN
IT OCCURS WILL BE FOR A PUBLIC PURPOSE, NON-DISCRIMINATORY
IN CHARACTER, AND ACCOMPANIED BY PROMPT, ADEQUATE AND
EFFECTIVE COMPENSATION. WE DO NOT YET HAVE SUFFICIENT
INFORMATION ON THE NATIONALIZATION OR THE ANNOUNCEMENT OF
THE NATIONALIZATION OF OWENS-ILLINOIS TO DETERMINE WHETHER
IT MEETS THIS CRITERIA. NOW, WHILE THE VENEZUELAN
GOVERNMENT'S STATEMENT DOES INDICATE THAT JUST INDEMNIZATION
WILL BE AUTHORIZED, I WOULD SAY THAT WE ARE CONCERNED ABOUT
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 084071

THE USE OF EXPROPRIATION AS A CRIMINAL SANCTION.

Q: IS THERE ANY CRIMINAL SANCTION?

A: YES. MY REFERENCE IS THAT THE ANNOUNCEMENT THAT I SAW, THE RELEASE THAT THEY PUT OUT IS THAT THEY WERE DOING THIS, BECAUSE THEY SAID THAT THIS COMPANY HAD VIOLATED THE LAWS AND I THINK THEY SAID THE CONSTITUTIONAL NORMS OF VENEZUELA.

Q: SEEMINGLY, THAT THE VENEZUELAN GOVERNMENT TOOK EXCEPTION TO THE FACT THAT THE COMPANY WAS NEGOTIATING WITH TERRORIST WHO KIDNAPPED ONE OF THEIR EXECUTIVES, IS IT NOT THE U.S. POLICY NEVER TO NEGOTIATE WITH TERRORISTS IN A KIDNAPPING CASE AND DOES THE USG HAVE AN ATTITUDE TO THE ACTION TAKEN BY THE COMPANY?

A: WELL, OUR POSITION ON THIS SUBJECT IS WELL KNOWN, OF COURSE. BUT, I UNDERSTAND WHAT THE VENEZUELAN GOVERNMENT SAID WAS THAT THE REASON FOR THEIR ACTION WAS THAT THE COMPANY HAD VIOLATED THEIR LAWS AND THAT WAS THE REASON THEY WERE TAKING THIS STEP OF EXPROPRIATION. AND, ALL I AM SAYING IS THAT WE ARE CONCERNED ABOUT THE USE OF EXPROPRIATION AS A CRIMINAL SANCTION.

Q: ARE YOU SAYING THAT THEIR IS NO RE-EXAMINATION NOW GOING ON IN THE STATE DEPARTMENT OVER HOW TO DEAL WITH TERRORISM WITH A POSSIBLE REVIEW OF THE ADMONITION NEVER TO MAKE A DEAL WITH TERRORISTS?

A: I AM NOT AWARE OF ANY REVIEW OR CHANGE. KISSINGER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: KIDNAPPING, FOREIGN INVESTMENT, NATIONALIZATION, POLICIES, PRESS CONFERENCES
Control Number: n/a
Copy: SINGLE
Draft Date: 07 APR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE084071
Document Source: CORE
Document Unique ID: 00
Drafter: JLSANDSTROM:STT
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760131-0928
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760486/aaaacvlo.tel
Line Count: 90
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: MartinML
Review Comment: n/a
Review Content Flags:
Review Date: 09 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 JUN 2004 by SilvaL0>; APPROVED <12 JAN 2005 by MartinML>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: NOON PRESS BRIEFING--NATIONALIZATION OF OWENS-ILLINOIS IN VENEZUELA
TAGS: EINV, PINS, VE, US, OWENS-ILLINOIS, (NIEHOUS, WILLIAM F)
To: CARACAS
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006